

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

ASSIGNMENT

CONVEYING PARTY DATA

Name	Execution Date
SPRINGWORKS, LLC	11/23/2010

RECEIVING PARTY DATA

Name:	PALIOS CORPORATION
Street Address:	4060 MANZANA LANE
City:	PALO ALTO
State/Country:	CALIFORNIA
Postal Code:	94306

PROPERTY NUMBERS Total: 21

Property Type	Number
Patent Number:	7437953
Patent Number:	7638350
Patent Number:	7409876
Patent Number:	7373843
Patent Number:	7316167
Patent Number:	7290323
Patent Number:	7077010
Patent Number:	7073397
Patent Number:	7059201
Patent Number:	6981407
Patent Number:	6912894
Patent Number:	6889565
Patent Number:	6889555
Patent Number:	6871559
Patent Number:	6832508

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Patent Number:	6829950
Patent Number:	6761074
Patent Number:	6694822
Patent Number:	6672174
Patent Number:	6612161
Patent Number:	6578436

CORRESPONDENCE DATA

Fax Number:

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: (650) 704-7714

Email: kg.ganapathi@palioscorp.com

Correspondent Name: S. K. Ganapathi

Address Line 1: 4060 Manzana Lane

Address Line 4: Palo Alto, CALIFORNIA 94306

NAME OF SUBMITTER:	S. K. Ganapathi
	This document serves as an Oath/Declaration (37 CFR 1.63).

Total Attachments: 13

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INTELLECTUAL PROPERTY ASSET PURCHASE AGREEMENT

This Intellectual Property Asset Purchase Agreement (the "Agreement") is entered into as of this 29th day of September, 2010, by and among the following parties:

- (a) PALIOS, INC. ("Buyer"), with offices located at 2953 Bunker Hill Lane, Suite 400, Santa Clara, CA 95054-1131;
- (b) SPRINGWORKS, LLC ("Seller"), by and through DOUGLAS A. KELLEY ("Receiver"), as Receiver appointed and acting pursuant to the Appointment of Receiver dated December 8, 2008, as same may at any time be modified, entered in the United States District Court for the District of Minnesota, Civil Case No. 08-CV-5348 (ADM/JSM) (the "Receivership Case").

WHEREAS, via a Voluntary Surrender Agreement made and entered into as of December 7, 2006 and effective as of February 29, 2008, Seller took ownership of the assets of Fidelica Microsystems, Inc.;

WHEREAS, the parties mutually desire that Seller shall sell to Buyer and Buyer shall purchase from Seller those certain intellectual property and related assets previously owned by Fidelica Microsystems, Inc. and more fully described herein (the "Fidelica IP Assets");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Purchase of Fidelica IP Assets. To the extent such exist and are in the possession and control of the Receiver, Seller agrees to, and as of the Closing Date hereby does, sell, assign, and convey to Buyer, and Buyer agrees to, and as of the Closing Date hereby does, purchase, Seller's entire right, title, interest, and ownership in the following Fidelica IP Assets:

- a. As listed on Exhibit A, the patents, patent applications from which such patents issued, inventions covered thereby, and patents arising therefrom, including without limitation any divisionals, continuations, continuations-in-part, re-exams, reissues, and extensions relating to the inventions claimed in the listed patents, and the right to sue for past, present and future infringements, if any, related thereto. To the extent there are patents, patent applications, or inventions owned or held by Fidelica Microsystems, Inc., Seller, or Receiver that are not listed on Exhibit A, such are not part of this Agreement and are therefore not sold or assigned to Buyer.
- b. copyrights and other works of authorship, if any;
- c. trademarks and associated goodwill, if any;
- d. trade secrets and know-how, if any;
- e. proprietary and confidential information, if any;

f. tangible items embodying or incorporating the intellectual property described in 1.a. through 1.e. and that relate to the prior business transactions of Fidelica Microsystems, Inc., including designs, masks, software (source code, firmware and executable), hardware, quality assurance tests, test benches, documentation, schematics, drawings, flow charts, notes and notebooks, specifications, bills of material, algorithms, inventory and samples, customer lists and information, vendor lists and information, books and records, software licenses, the Sherwood Report of June 17, 2008, and other documents and materials, if any.

2. Purchase Price. On the Closing Date set forth below, Buyer shall pay to Seller the total amount of one hundred twenty five thousand and no/100 Dollars (\$125,000.00) via bank cashiers check or wire, as and for the Purchase Price of the Fidelica IP Assets sold by Seller to Buyer hereunder.

3. "As-Is" Transaction. Buyer is purchasing the Fidelica IP Assets in an "AS-IS" condition and basis, with all faults to the maximum extent permitted by law, with no express or implied representations or warranties of any kind, including but not limited to the warranty of title. Buyer acknowledges for Buyer and its successors and assigns that Buyer has been given a reasonable opportunity to inspect and investigate the Fidelica IP Assets. Neither Seller nor Receiver in any way shall be liable or responsible to Buyer for any claims or losses relating to the Fidelica IP Assets, and Buyer waives all such claims and losses, whether known or unknown, now existing or hereafter arising.

4. Closing. The parties contemplate that the transaction will close with Seller signing and providing to Buyer the signed originals of the Assignments attached hereto as Exhibits B, C and D, and the Buyer tendering the Purchase Price in Minneapolis, Minnesota, within thirty (30) days of the district court in the Receivership Case entering the Order referred to herein. Such date of closing is referred to herein as the "Closing Date."

5. Conditions Precedent: Court Approval. This Agreement is conditioned upon the entry of an order by the district court in the Receivership Case approving the terms and conditions of this Agreement and authorizing the Receiver to perform Seller's respective obligations (the "Order"). As promptly and practical after the execution of this Agreement, the Receiver shall move the district court for entry of the Order. If the district court does not enter the Order, this Agreement shall terminate, and upon such termination the parties shall have no rights or remedies against one another with respect to the subject matter of this Agreement.

6. Documents. Within ninety (90) days of the Closing Date, Seller shall make available to Buyer for inspection and copying as Buyer desires and at Buyer's sole additional expense, the tangible items described in 1.f. above and any patent prosecution files related to the assets on Exhibit A that are in the possession of Receiver, if any.

7. Expenses. Each party shall pay for its own costs and expenses incurred by it or on its behalf in connection with the transactions contemplated hereby, including, without limitation, all fees and disbursements of attorneys, accountants, and financial consultants. Further, upon exchange of the Assignments and Purchase Price on the Closing Date, Seller shall have no obligations of any kind for any fees, costs, or other expenses, including past due

amounts, related to the continued prosecution, maintenance, or other preservation of the Fidelica IP Assets and Buyer assumes all such obligations and responsibilities therefore.

8. Indemnification. Notwithstanding anything to the contrary herein, Buyer shall indemnify, defend, and hold Seller, the Receivership, Receiver, and the entities Receiver represents (the "Indemnified Parties"), harmless from losses and expenses up to \$25,000.00 incurred post-Closing Date and arising from, in connection with, or based on any allegation, demand, claim, action, or proceeding by any third party that any of the assets, documents, or information transferred via this Agreement infringes (directly or indirectly, contributorily, via inducement, or otherwise), violates, unlawfully discloses, or misappropriates, any patent, trademark, copyright, trade secret, or other intellectual property right of any person or entity, and from any other claims asserted by such third party in the same or a related action. This paragraph applies to allegations, demands, claims, actions, or proceedings whether now known or unknown, rightful or not, or existing or hereafter arising. To the extent any Indemnified Party remains in control of witnesses or other information relevant to the defense of a claim, it agrees to reasonably provide such information to Buyer upon Buyer's request and at Buyer's expense. The total hold-harmless amount shall be made up of only those losses or expenses incurred by or for the defense of the Indemnified Parties and/or to satisfy a settlement of a claim or final judgment entered against the Indemnified Parties.

9. Representations. Each of the parties hereto: has read and understands its respective obligations under this Agreement; has had an opportunity to or has consulted with counsel of its choice prior to executing this Agreement; and has freely executed this Agreement without coercion, duress or reliance upon any promise or representation not expressly stated in this Agreement.

10. Governing Law, Jurisdiction and Venue. This Agreement shall be deemed to be made and entered into in the State of Minnesota, which State the parties agree has a substantial relationship to the parties and to the underlying transaction. The parties also desire certainty and predictability with respect to their respective obligations hereunder, and accordingly, this Agreement shall in all respects be construed and enforced under the internal laws of the State of Minnesota, without reference to principles of choice of laws or conflicts of laws thereof. Any cause of action arising out of the execution or performance of this Agreement shall be venued in a court of competent jurisdiction in the State of Minnesota, to which Buyer hereby irrevocably submits and consents to jurisdiction. Buyer agrees to accept service by mail and waive any defenses with respect to jurisdiction and venue that may otherwise be available, including but not limited to any argument that venue in such forum is not convenient.

11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns.

12. Recitals Incorporated. The Recitals set forth at the beginning of this Agreement constitute part of this Agreement and are specifically incorporated herein.

13. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by all of the parties hereto to express their mutual intention and no rule of strict construction will be applied against any party.

14. Entire Agreement. This Agreement, together with its Exhibits, represents the only agreement among the parties concerning the subject matter hereof and supersedes all prior agreements whether written or oral, relating thereto. No purported amendment, modification, or waiver of any provision hereof shall be binding unless set forth in a written document signed by all parties.

15. Counterparts. This Agreement may be executed in counterparts and by different parties on different counterparts and by facsimile signatures with the same effect as if the signatures thereto were on the same instrument. This Agreement shall be effective and binding upon all parties hereto at such time as all parties have executed a counterpart of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, in the manner appropriate to each, as of the date above written.

SPRINGWORKS, LLC

PALIOS, INC.



By: Douglas A. Kelley
Its: Receiver on behalf of
SpringWorks, LLC

By: Nivedita Panda
Its: CEO

Exhibit A
Contents of Patent Portfolio

Title	No.	App. Date	Issue Date
Fingerprint sensors using membrane switch arrays	US 7,638,350	5/2/05	12/29/09
Method and apparatus for protection of contour sensing devices	US 7,437,953	6/13/07	10/21/08
Authentication system having a flexible imaging pressure sensor	US 7,409,876	6/28/05	8/12/08
Flexible imaging pressure sensor	US 7,373,843	6/2/05	5/20/08
Method & apparatus for protection of contour sensing devices	US 7,316,167	3/25/05	1/8/08
Method for manufacturing sensing devices to image textured surfaces	US 7,290,323	11/14/03	11/6/07
Magnetoresistive semiconductor pressure sensors and fingerprint identification/verification sensors using same	US 7,077,010	5/5/05	7/18/06
Magnetoresistive semiconductor pressure sensors and fingerprint identification/verification sensors using same	US 7,073,397	5/5/05	7/11/06
Use of multi-layer thin films as stress sensors	US 7,059,201	12/20/00	6/13/06
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,981,407	7/3/03	1/3/06
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,912,894	7/3/03	7/5/05
Fingerprint sensors using membrane switch arrays	US 6,889,565	12/20/01	5/10/05
Magnetoresistive semiconductor pressure sensors and fingerprint identification/verification sensors using same	US 6,889,555	2/9/00	5/10/05

Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,871,559	7/3/03	3/29/05
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,832,508	7/3/03	12/21/04
Method and apparatus for pressure sensing	US 6,829,950	5/14/02	12/14/04
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,761,074	7/3/03	7/13/04
Use of multi-layer thin films as stress sensors	US 6,694,822	2/10/00	2/24/04
Fingerprint image capture device with a passive sensor array	US 6,672,174	7/23/01	1/6/04
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,612,161	7/23/02	9/2/03
Method and apparatus for pressure sensing	US 6,578,436	5/16/00	6/17/03
Apparatus for fingerprint image capture and method of making same	TW I223778	7/10/02	11/11/04
Fingerprint based smartcard (Flexible Imaging Pressure Sensor)	EP20060784549	6/2/06	Pending

[Exhibit B]
ASSIGNMENT
(of U.S. Patents)

WHEREAS, SpringWorks, LLC, is the owner of the following U.S. patents:

Title	No.	App. Date	Issue Date
Fingerprint sensors using membrane switch arrays	US 7,638,350	5/2/05	12/29/09
Method and apparatus for protection of contour sensing devices	US 7,437,953	6/13/07	10/21/08
Authentication system having a flexible imaging pressure sensor	US 7,409,876	6/28/05	8/12/08
Flexible imaging pressure sensor	US 7,373,843	6/2/05	5/20/08
Method & apparatus for protection of contour sensing devices	US 7,316,167	3/25/05	1/8/08
Method for manufacturing sensing devices to image textured surfaces	US 7,290,323	11/14/03	11/6/07
Magnetoresistive semiconductor pressure sensors and fingerprint identification/verification sensors using same	US 7,077,010	5/5/05	7/18/06
Magnetoresistive semiconductor pressure sensors and fingerprint identification/verification sensors using same	US 7,073,397	5/5/05	7/11/06
Use of multi-layer thin films as stress sensors	US 7,059,201	12/20/00	6/13/06
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,981,407	7/3/03	1/3/06
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,912,894	7/3/03	7/5/05
Fingerprint sensors using membrane switch arrays	US 6,889,565	12/20/01	5/10/05
Magnetoresistive semiconductor pressure	US 6,889,555	2/9/00	5/10/05

sensors and fingerprint identification/ verification sensors using same			
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,871,559	7/3/03	3/29/05
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,832,508	7/3/03	12/21/04
Method and apparatus for pressure sensing	US 6,829,950	5/14/02	12/14/04
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,761,074	7/3/03	7/13/04
Use of multi-layer thin films as stress sensors	US 6,694,822	2/10/00	2/24/04
Fingerprint image capture device with a passive sensor array	US 6,672,174	7/23/01	1/6/04
Atomic force microscopy measurements of contact resistance and current-dependent stiction	US 6,612,161	7/23/02	9/2/03
Method and apparatus for pressure sensing	US 6,578,436	5/16/00	6/17/03

WHEREAS, Palios, Inc. is desirous of acquiring the sole and exclusive right, title and interest in, to and under the patents and the inventions covered thereby, including the right to sue for pre-transfer infringements;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the said SpringWorks, LLC has sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over to the said Palios, Inc., the entire right, title, interest and ownership in the said inventions, said patents, any and all divisionals, continuations, and continuations-in-part thereof, and any re-exams, reissues and extensions which may be granted, the same to be held and enjoyed by said Palios, Inc. for its own use and enjoyment, and for the use and enjoyment of its successors, assigns, or other legal representatives, as fully and entirely as the same would have been held and enjoyed by the said SpringWorks, LLC if this assignment and sale had not been made. Said SpringWorks, LLC has also sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over to the said Palios, Inc., the right to sue for past, present and future infringements, if any, including, but not limited to, the right to recover damages or profits arising from infringement of any such patents whether occurring prior to or after this date.

IN TESTIMONY WHEREOF, SpringWorks, LLC has caused these presents to be signed by its duly authorized representative this ____ day of _____, 2010.

SPRINGWORKS, LLC

Douglas A. Kelley
Receiver on behalf of SpringWorks, LLC

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Subscribed and sworn to before me, a Notary Public, this ____ day of _____, 2010.

Notary Public

[Exhibit C]
ASSIGNMENT
(of EP Application)

WHEREAS, SpringWorks, LLC, is the owner of the following patent application:

- Fingerprint Based Smartcard (Flexible Imaging Pressure Sensor), EP20060784549, Filed 6/2/06

WHEREAS, Palios, Inc. is desirous of acquiring the sole and exclusive right, title and interest in, to and under the patent application and the inventions covered thereby, including the right to sue for pre-transfer infringements;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the said SpringWorks, LLC has sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over to the said Palios, Inc., the entire right, title, interest and ownership in the said invention, said patent application, any and all divisionals, continuations, and continuations-in-part thereof, and any re-exams, reissues and extensions which may be granted, the same to be held and enjoyed by said Palios, Inc. for its own use and enjoyment, and for the use and enjoyment of its successors, assigns, or other legal representatives, as fully and entirely as the same would have been held and enjoyed by the said SpringWorks, LLC if this assignment and sale had not been made. Said SpringWorks, LLC has also sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over to the said Palios, Inc., the right to sue for past, present and future infringements, if any, including, but not limited to, the right to recover damages or profits arising from infringement of any patent that issues from the patent application whether occurring prior to or after this date.

IN TESTIMONY WHEREOF, SpringWorks, LLC has caused these presents to be signed by its duly authorized representative this ____ day of _____, 2010.

SPRINGWORKS, LLC

Douglas A. Kelley
Receiver on behalf of SpringWorks, LLC

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Subscribed and sworn to before me, a Notary Public, this ____ day of _____, 2010.

Notary Public

[Exhibit D]
DEED OF ASSIGNMENT
(of Taiwan Patent)

WHEREAS, SpringWorks, LLC, is the owner of the following Taiwan patent:

- Apparatus for fingerprint image capture and method of making same, TW I223778, Filed 7/10/02, Issued 11/11/04

WHEREAS, Palios, Inc. is desirous of acquiring the sole and exclusive right, title and interest in, to and under the patent and the inventions covered thereby, including the right to sue for pre-transfer infringements;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the said SpringWorks, LLC has sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over to the said Palios, Inc., the entire right, title, interest and ownership in the said invention, said patent, any and all divisionals, continuations, and continuations-in-part thereof, and any re-exams, reissues and extensions which may be granted, the same to be held and enjoyed by said Palios, Inc. for its own use and enjoyment, and for the use and enjoyment of its successors, assigns, or other legal representatives, as fully and entirely as the same would have been held and enjoyed by the said SpringWorks, LLC if this assignment and sale had not been made. Said SpringWorks, LLC has also sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over to the said Palios, Inc., the right to sue for past, present and future infringements, if any, including, but not limited to, the right to recover damages or profits arising from infringement of the patent whether occurring prior to or after this date.

IN TESTIMONY WHEREOF, SpringWorks, LLC has caused these presents to be signed by its duly authorized representative this ____ day of _____, 2010.

SPRINGWORKS, LLC

Douglas A. Kelley
Receiver on behalf of SpringWorks, LLC

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Subscribed and sworn to before me, a Notary Public, this ____ day of _____, 2010.

Notary Public

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

United States of America,

Plaintiff,

Civil No. 08-05348 ADM/JSM

v.

Thomas Joseph Petters; Petters Company,
Inc., a/k/a PCI; Petters Group Worldwide, LLC;
Deanna Coleman, a/k/a Deanna Munson;
Robert White;
James Wehmhoff;
Larry Reynolds, and/or dba Nationwide International
Resources, aka NIR;
Michael Catain and/or dba Enchanted
Family Buying Company;
Frank E. Vennes, Jr., and/or dba Metro Gem
Finance, Metro Gem, Inc., Grace Offerings
Of Florida, LLC, Metro Property Financing,
LLC, 38 E. Robinson, LLC, 55 E. Pine, LLC,
Orlando Rental Pool, LLC, 100 Pine Street
Property, LLC, Orange Street Tower, LLC,
Cornerstone Rental Pool, LLC, 2 South
Orange Avenue, LLC, Hope Commons, LLC,
Metro Gold, Inc.,

Defendants.

Douglas A. Kelley,

Receiver,

Gary Hansen,

Receiver.

Jeffrey D. Smith, Esq., and Mark R. Privratsky, Esq., Lindquist & Vennum P.L.L.P.,
Minneapolis, MN, on behalf of Receiver Douglas A. Kelley.

Surya Saxena, Assistant United States Attorney, Minneapolis, MN, on behalf of Plaintiff.

**ORDER AUTHORIZING AND CONFIRMING THE SALE OF CERTAIN
INTELLECTUAL PROPERTY ASSETS OF SPRINGWORKS, LLC**

This matter came before the Court on November 23, 2010 on the Motion [Docket No. 1575] of Receiver Douglas A. Kelley (the “Receiver”) to authorize and confirm the sale of certain intellectual property assets of Springworks, LLC. No opposition to the Motion was filed or raised at the hearing. Based upon the files and records herein and the oral arguments of counsel,

IT IS HEREBY ORDERED:

1. That the Receiver’s Motion [Docket No. 1575] is **GRANTED**.
2. The sale of the Fidelica IP Assets (“Sale Assets”) described in the Intellectual Property Asset Purchase Agreement pursuant to the terms and conditions set forth therein is **APPROVED**.
3. The Receiver is hereby authorized and directed to execute and deliver any documents or agreements necessary to transfer the Sale Assets to Palios, Inc. or its assigns under the Intellectual Property Asset Purchase Agreement.

BY THE COURT:

s/Ann D. Montgomery
ANN D. MONTGOMERY
U.S. DISTRICT JUDGE

Dated: November 24, 2010.